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Message Text

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20
ORIGIN XMB-04

INFO OCT-01 AF-06 ISO-00 EB-07 TRSE-00 OMB-01 COME-00

CIAE-00 INR-07 NSAE-00 /026 R

66614
DRAFTED BY: XMB:JWLENTZ
APPROVED BY: EB/IFD/ODFCVRASWART
XMB:CNORRIS
XMB:DOBIEM
AF/E:RFILLING INFO
---------- 124512
R 161955Z SEP 75
FM SECSTATE WASHDC
TO AMEMBASSY KHARTOUM

LIMITED OFFICIAL USE STATE 220381

E.O. 11652: NA
TAGS: EGEN
SUBJ: STATUS OF CEMENT MILL APPLICATION AT EXIMBANK

REF: KHARTOUM 2020, AUG 27, 1975

1. EXIM MET WITH KH/TRIAD REPS SEPT GT TO DISCUSS APPLICATION FOR CEMENT MILL. CAPITAL STRUCTURE OF PROJECT UNCLEAR AS DIFFERING STRUCTURES PRESENTED IN WRITTEN APPLICATION AND DURING MEETING. LATTER MORE FAVORABLE AND COMPRISED DOL14 MILLION OF EQUITY SUBSCRIBED BY BUTTES OIL AND GAS, TRIAD, AND UNSPECIFIED NEW PARTNER WITH DEBT COMPONENT OF DOL26 MILLION CONSISTING OF DOL11 MILLION OPIC GUARANTEED LOAN, DOL4 MILLION IFC LOAN, AND DOL11 MILLION FROM EXIMBANK AND POSSIBLY OTHER BANKS. BORROWER PROPOSED AS CEMENT PRODUCTION (SUDAN) LTDMNV A CAYMAN ISLANDS CORP, WHICH WOULD OWN PLANT AND LEASE TO OPERATOR, RED SEA CEMENT LTD. ABOUT 75 PERCENT OF ANNUAL 400,000 TON PRODUCTION TO BE SOLD OUTSIDE SUDAN, YET NO FIRM MARKETING ARRANGEMENTS EXIST. NO GUARANTOR OFFERED ON PROPOSED EXIMBANK EXPOSUREMV
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2. BY LETTER DATED SEPT 11 EXIM INFORMED KH THAT, WHILE NUMEROUS PROBLEMS EXIST WITH PRESENT APPLICATION, TWO CRITICAL AREAS MUST BE ADDRESSED BEFORE CASE CAN BE GIVEN SERIOUS CONSIDERATION: (1) A FIRST CLASS FINANCIAL INSTITUTION,

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PREFRABLY OUTSIDE SUDAN, MUST GUARANTEE EXIQVM; AND (2)
COMMERCIAL BANKS NOT GUARANTEED BY EXIM SHOULD FINANCE
SIGNIFICANT SHARE OF UMMS. PROCUREMENT. SISCO

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Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK LOANS, CEMENT, FINANCE, FOREIGN INVESTMENTS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 16 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE220381
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Document Unique ID: 00
Drafter: XMB:JWLENTZ
Enclosure: n/a
Executive Order: 11652 NA
Errors: n/a
Film Number: D750321-0713
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Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197509104/baaaabqf.tel
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Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 28 AUG 2003
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Review Withdrawn Fields: n/a
Secure: OPEN
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Subject: n/a
TAGS: EGEN, EGEN, XMB
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